

**FILED**

JAN 16 2018

Superior Court of New Jersey  
County of Atlantic

SETTLEMENT AGREEMENT  
BETWEEN THE  
CITY OF ATLANTIC CITY  
AND  
PBA LOCAL 24

AND  
ATLANTIC CITY POLICE SUPERIOR OFFICERS ASSOCIATION

PBA Local 24 and the SOA v. Christopher J. Christie et al., ATL-L-554-17

WHEREAS, in accordance with the Municipal Stabilization and Recovery Act ("MRSA"), codified at N.J.S.A. 52:27BBB-1, et seq., the Director of the Division of Local Government Services and the State Designee implemented changes to the Collective Negotiations Agreements between PBA Local 24 and the Atlantic City Police Superior Officers Association ("SOA") on or about March 13, 2017; and

WHEREAS, on March 15, 2017, PBA Local 24 and the SOA filed suit challenging the implemented changes to their respective Collective Negotiation Agreements (the "Litigation"); and

WHEREAS, the PBA Local 24 and the SOA met with retired Superior Court Judge Williams on October 10, and November 17, 2017 to mediate the Litigation; and

WHEREAS, by settlement placed on the record with Judge Méndez on November 17, 2017, the parties have agreed to the following changes to the June 7, 2017 Implementation Memoranda, subject to ratification by the members of PBA 24 and the SOA; and

IT IS THEREFORE AGREED AS FOLLOWS:

1. The parties agree that the City of Atlantic City ("City") may implement a twelve (12) hour work schedule for all sworn law enforcement officers commencing on or before January 1, 2018. All sworn law enforcement officers will be entitled to overtime compensation for all hours worked in excess of eighty-six (86) hours over a fourteen (14) day work period in accordance with the Fair Labor Standards Act Section 207(k); 29 C.F.R. Part 553.230. It is further agreed that sick leave, vacation leave, personal leave and/or Kelly time<sup>1</sup> shall not count as hours worked for overtime purposes.

2. All sworn law enforcement officers working the twelve (12)-hour work schedule will be afforded up to one hundred ten (110) hours of Kelly time per calendar year. Kelly time shall be used in the calendar year in which it is earned. An officer's use of Kelly time cannot cause overtime.

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<sup>1</sup> Kelly time as referred to herein shall be defined as the contractual hourly increment of time off for actual hours worked not to exceed one hundred ten (110) hours per calendar year. See Aaron v. City of Wichita, 54 F.3d 652 (1995).

3. Should the police force fall below two hundred fifty-two (252) sworn law enforcement officers, the City will hire additional officers within a reasonable time period to maintain a total of two hundred fifty-two (252) sworn law enforcement officers. Similarly, the City may not maintain a police force of more than 252 police officers, unless the parties mutually agree to a police force of more than 252 police officers. Because the City's budget presently accounts for two hundred sixty-nine (269) sworn law enforcement officers, as a result of the reduction to two hundred fifty-two (252) sworn law enforcement officers, it is anticipated that there will be an annual savings of \$2.261 million dollars. This additional \$2.261 million dollars will be allocated to the two hundred fifty-two (252) currently employed law enforcement officers actively employed as of the date of this Settlement Agreement. PBA Local 24 and SOA will provide a proposed distribution of these additional monies to each of the actively employed law enforcement officers which is subject to review and approval by both the City and the State Designee, which approval shall not be unreasonably withheld. The salaries and steps specifically set forth in the June 7, 2017 Implementation Memoranda shall not be altered and these additional monies (which shall not increase from year-to-year) shall be added to each individual officer's annual base salary and shall be considered pensionable. Included in the distribution of these additional funds, all currently employed Sergeants will be increased to a new base salary of \$100,000.00 per year effective January 1, 2018 and all sworn officers hired as, or promoted to the rank of, Sergeant will receive a base salary of \$100,000.00 per year. All other law enforcement officers hired after the date of this Agreement shall not be entitled to any of these additional monies and shall be hired and thereafter promoted under the salaries and steps specifically set forth in the June 7, 2017 Implementation Memoranda.

4. The parties agree to eliminate the new vacation tier for all employees employed after January 1, 2013 (which was set forth in the June 7, 2017 Implementation Memorandum) and afford all employees the vacation schedule as follows:

First through Third year of employment:	Ninety-six (96) hours per year
Fourth year of employment	One Hundred Twenty-Eight hours (128) hours per year
Fifth year of employment	One Hundred Sixty (160) hours per year
Sixth year of employment and thereafter	One Hundred Ninety-Two (192) hours per year

5. The parties agree that employees will receive one-hundred percent (100%) of his/her pay when absent due to approved workers' compensation leave for no more than one (1) year in total when absent due to a work-related injury. Employees may be asked to be re-certified by the workers' compensation doctor every ninety (90) days to continue receiving one-hundred percent (100%) of pay up to the maximum of one (1) year. N.J.S.A. 40A:14-137; N.J.A.C. 4A:6-1-1 (a)(4).

6. While the City contends that it had the right under the MSRA and all other applicable laws to terminate all terminal leave payments, and will continue to litigate this issue in other pending litigation, for purposes of settling this lawsuit, the parties agree that the terminal leave payouts for all police officers and superior officers will be a maximum of \$15,000.00 at the time

of retirement in accordance with N.J.S.A. 11A:6-19.2.

7. The City further agrees that should any police officer (active, retired or separated) assert a claim or legal action seeking monies in excess of the \$15,000.00 for terminal leave and names either PBA Local 24 and/or the SOA (or their representatives) as defendants, the City shall, defend at the City's expense, indemnify and hold PBA Local 24 and/or the SOA harmless in the event of any such legal action by any retired officer. PBA Local 24 and SOA specifically acknowledge that they will not institute any legal action and/or support any legal action on behalf of any individual seeking additional terminal leave above the agreed to amount of \$15,000.00.

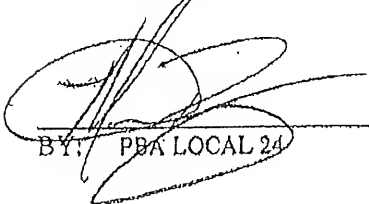
8. One year following the execution of this Settlement Agreement, the Defendants will review the amount of manpower overtime incurred by the police department and to the extent there are significant overtime savings, the Defendants will take those savings into consideration when making determinations regarding salary increases the following year. Simultaneously, if the amounts of overtime increase, that will likewise be taken into consideration in determining whether there will be an increase in salaries and raises the following year.

9. The parties agree that the Implementation Memoranda dated June 7, 2017, which modified the collective negotiations agreements with PBA Local 24 and the SOA shall remain in full force and effect except as modified by this Settlement Agreement. All terms contained in the Implementation Memoranda dated June 7, 2017 as modified by this Settlement Agreement shall be incorporated into the Collective Negotiations Agreements between PBA Local 24 and the Atlantic City Police Superior Officers Association including, but not limited to, that the Settlement Agreement is in effect through December 31, 2021.

10. PBA Local 24 and the SOA agree to dismiss the action PBA Local 24 and the SOA v. Christopher J. Christle et al., ATL-L-554-17 with prejudice and the Court will maintain jurisdiction to enforce this Settlement Agreement.

11. The terms of this Settlement Agreement and its modifications to the Implementation Memorandum dated June 7, 2017 are subject to ratification by the members of PBA 24 and the SOA and, if so ratified, shall be from the date of execution of this Agreement, through and including December 31, 2021.

  
BY: JEFFREY CHIESA,  
STATE DESIGNEE

  
BY: PBA LOCAL 24

BY: TIMOTHY CUNNINGHAM  
DIRECTOR, DIVISION OF  
LOCAL GOVERNMENT SERVICES

  
BY: ATLANTIC CITY SUPERIOR  
OFFICERS ASSOCIATION

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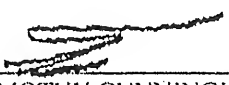
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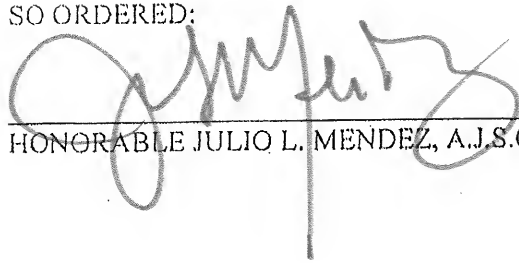
BY: JEFFREY CHIESA,  
STATE DESIGNEE

BY:   
TIMOTHY CUNNINGHAM  
DIRECTOR, DIVISION OF  
LOCAL GOVERNMENT SERVICES

BY: PBA LOCAL 24

BY: ATLANTIC CITY SUPERIOR  
OFFICERS ASSOCIATION

SO ORDERED:

A handwritten signature in dark ink, appearing to read 'Julio L. Mendez', is written over a horizontal line.

HONORABLE JULIO L. MENDEZ, A.J.S.C.

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*Attorneys for Defendants*

THE ATLANTIC CITY POLICEMEN'S  
BENEVOLENT ASSOCIATION LOCAL 24,  
THE ATLANTIC CITY SUPERIOR OFFICERS'  
ASSOCIATION, MATTHEW ROGERS &  
FRANK BRENNAN,

Plaintiffs,

vs.

CHRISTOPHER J. CHRISTIE, Governor of the  
State of New Jersey, in his official capacity, NEW  
JERSEY DIVISION OF LOCAL  
GOVERNMENT SERVICES IN THE  
DEPARTMENT OF COMMUNITY AFFAIRS,  
CHARLES A. RICHMAN, Commissioner of the  
New Jersey Department of Community Affairs, in  
his official capacity, TIMOTHY  
CUNNINGHAM, Director of the Division of  
Local Government Services in the Department of  
Community Affairs in his official capacity,  
JEFFREY CHIESA, Designee of Director of the  
Division of Local Government Services in the  
Department of Community Affairs in his official  
capacity, CITY OF ATLANTIC CITY,

Defendants.

SUPERIOR COURT OF NEW JERSEY  
LAW DIVISION: ATLANTIC COUNTY

DOCKET NO. ATL-L-554-17

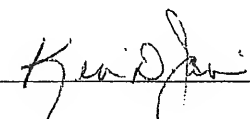
Civil Action

**STIPULATION OF DISMISSAL WITH  
PREJUDICE AND WITHOUT COSTS**

IT IS HEREBY STIPULATED AND AGREED by and between the parties that the  
above-captioned action is hereby dismissed, in its entirety, with prejudice and without attorneys'

fees or costs against any party. The Court shall retain jurisdiction consistent with the Settlement Agreement in this matter.

By: \_\_\_\_\_

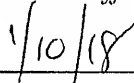


— Kevin D. Jarvis, Esq.

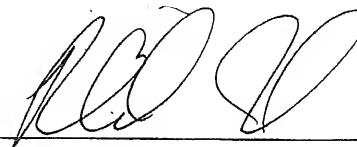
O'BRIEN, BELLAND & BUSHINSKY,  
LLC  
1526 Berlin Road  
Cherry Hill, New Jersey 08003

*Attorneys for Plaintiffs*

Dated: \_\_\_\_\_



By: \_\_\_\_\_



— Ronald L. Israel, Esq.

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*Attorneys for Defendants*

Dated: \_\_\_\_\_

